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INDUSTRIAL CLASSES IN THE UNITED STATES IN 1920

By Alvin H. Hansen, University of Minnesota

In an article on "Industrial Class Alignments in the United States" published in the issue of this Journal for December, 1920, the writer made a study of the census occupational statistics for the years 1870–1910 for the purpose of classifying the gainfully employed into industrial classes. The purpose of this paper is to bring that study up to date.

The 1920 census material on occupational statistics differs somewhat in its classifications from the 1910 census. These differences, however, cause no significant difficulties so far as the present study is concerned. With a few unimportant exceptions the classifications described in the earlier study were followed, the only exception of any consequence being the transfer of chauffeurs from the "lower salaried" group to the "industrial wage-earning" class. This change seemed to be desirable because many persons formerly listed as "deliverymen" were classified in the 1920 census as "chauffeurs." It is quite clear that the vast majority of persons returned as "chauffeurs" in 1920 were engaged in some form of industrial work.

The number of gainfully employed persons falling into each of the classifications described in the earlier study for each of the ten year periods from 1870–1920 is given in Table I. The percentage distribution is given in Table II.

A number of significant changes for the year 1920 will be noted. The number of farm laborers has enormously decreased, both absolutely and relatively. This is explained in the 1920 census bulletin on occupational statistics as follows: First, the change in the census date from April 15 to January 1 tended to reduce the number of agricultural laborers for two reasons: (1) fewer laborers were employed in agriculture at that season and hence many laborers who would have been employed as farm laborers in April were returned in January under some other occupation; (2) children living on the home farm were in many cases not returned as either gainfully employed or attending school, whereas had the census data been for April instead of January they would doubtless have been returned as gainfully employed. In the second place, the war resulted in a considerable transfer of labor from the farms to the factories. For these reasons it can scarcely be doubted that the figure for agricultural laborers for 1920 is an under-

¹ Comparative Occupation Statistics, Fourteenth Census Bulletin, p. 3.

² Comparative Occupation Statistics, Census Bulletin, pp. 2-3.

TABLE I

| | | • | | | | |
|---|--|--|--|--|---|--|
| | 1870 | 1880 | 1890 | 1900 | 1910 | 1920 |
| Farm laborers Farmers Proprietors and officials Professional Lower salaried Servants Industrial wage-carners Unclassified | 2,885,996 3,000,229 581,378 481,378 309,413 975,734 3,328,311 1,010,114 | 3,323,876 4,382,074 807,049 606,338 529,473 1,075,655 5,286,829 1,420,795 | 3,004,061 5,370,181 1,147,329 1,114,507 965,552 1,404,791 7,380,442 2,118,498 | 4,410,877 5,770,738 1,565,686 1,529,928 1,453,677 10,263,569 2,467,043 | 6,143,998 6,229,161 2,229,161 2,074,792 2,393,620 1,556,979 14,556,979 2,317,538 | 4,178,637 6,463,708 8,648,1708 2,760,190 3,985,306 1,76,946 17,76,946 2,138,971 |
| Total | 12,505,923 | 17,392,099 | 22,735,661 | 29,073,233 | 38,167,336 | 41,614,248 |
| | | 1 | TABLE II | | | |
| | 1870 | 1880 | 1890 | 1900 | 1910 | 1920 |
| Farm laborers Farmers Farmers Forbrictors and officials Frofessional Cover salaried Servants Industrial wage-earners Unclassified | 23.1 24.0 33.3 7.5 8.1 8.1 | 19 1 24.6 3.6 3.0 3.0 8.2 8.2 | 23.5 2.6 2.6 2.6 2.6 2.6 2.6 3.6 4.6 5.6 6.6 6.6 6.6 6.6 6.6 6.6 6.6 6.6 6 | 201 19.8 2.3 0 4 4 6 6 5 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 | 16.3 16.3 7.5 7.5 6.3 4.1 88.2 6.0 | 0.01 0.02 0.02 0.02 0.03 0.03 0.03 0.03 0.03 |

statement. On the other hand the 1910 figure for farm laborers is an overstatement compared to the figures given in the earlier census reports.¹ At all events it appears clear that the proportion of farm laborers to the total gainfully employed is not increasing and is probably no greater now than it was in 1890. This is striking, in view of the disappearance of free land and the increasing expense of setting up as independent farmers. The explanation no doubt lies in the increasing industrialization of the country with the consequent drain of labor to the cities.

Other significant changes appear in 1920. There was a considerable absolute decrease in the servant class and a very great relative decrease. This is in line with a steady decline since 1870. The servant class was two and a half times as important in proportion to other classes in 1870 This decrease is however more apparent than real. Personal service work has increasingly become industrialized. A large part of the work which was done in the home in 1870 was done outside of the home in 1920. Much house work has passed from the handicraft stage to the factory stage. The preparation of food is a case in point. Moreover, specialized occupations in the personal service field have been added from time to time with each succeeding census. For example, the 1920 census lists charwomen and cleaners, cleaners and renovators, porters, and elevator tenders in the personal service group -none of which appears in the 1870 census. It should be noted in addition that while servants have declined in importance the proportion of waiters has greatly increased, indicating a growing tendency to patronize hotels, cafes, and restaurants. Thus waiters increased from 107,044 in 1900 to 228,985 in 1920.

Other changes in 1920 are less marked and quite in line with the past development of the various groups. In the farming class there was a slight absolute increase, but a slight relative decline. The decline was not nearly so marked as in the 1900 and 1910 censuses. The professional class continued the steady increase it has shown since 1870. It is now exactly twice as important relatively as in 1870. Proprietors and officials, lower salaried, and industrial wage-earners—all subject to the influence of increasing industrialization—show increases quite similar to those previously registered in earlier censuses. The lower salaried class especially has been growing in importance, increasing nearly 40 per cent relatively to other classes from 1900 to 1910, and over 50 per cent from 1910 to 1920. This group is now nearly four times as important relatively as in 1870. The industrial wage-earning class increased relatively in much the same ratio that it has shown since

¹ Census of 1910, Vol. IV, pp. 26-29.

1870. The following table shows the increase for each period in the proportion of the total gainfully employed which were industrial wage-earners.

| 1870 to 1880 | 14.3 | per | cent | increase |
|--------------|------|-----|------|----------|
| 1880 " 1890 | 6.6 | " | " | " |
| 1890 " 1900 | 9.0 | " | " | " |
| 1900 " 1910 | 8.2 | " | " | " |
| 1910 " 1920 | 11.1 | " | " | " |

The "urban upper and middle" classes, including the proprietors and officials, professional and lower salaried groups, have increased from 19.2 per cent of the total gainfully employed in 1910 to 23.8 per cent in 1920. The "urban workers," including the industrial wage-earners and the servant groups, have increased from 42.3 per cent in 1910 to 45.5 per cent in 1920. On the other hand the "rural group," including farmers and farm laborers, has decreased from 32.4 per cent in 1910 to 25.5 per cent in 1920.

BRITISH BANKING STATISTICS

By W. F. CRICK, University of London

One of the most striking characteristics of the scientific treatment of banking in the United States is the wealth of statistical material which is placed at the disposal of those professionally or academically interested in the subject. By contrast with this enormous stock of material the British banking statistics are weefully inadequate. The underlying explanation of this obvious contrast is of course the system of bank examination which has grown up throughout the period of American banking history, and the legal insistence upon the submission of periodical statements of financial condition. The National Bank Act and the Federal Reserve Act—to deal only with federal requirements—have given rise to an admirable body of evidence for use by the practical economist. The current reports supply an excellent basis for the interpretation of the present as an index of the future, without which the equipment of any far-seeing banker or business man is incomplete.

In Great Britain, however, with the exception of the statements of the Bank of England and the half-yearly statements of the other joint stock banks, there is no legal requirement whatsoever as to the publication of accounts. This fact is reflected in an excessive disposition to secrecy on the part of the British banker, which gives rise not only to an unwarrantable liability to public criticism, but also to insuper-